AMENDED IN SENATE SEPTEMBER 8, 2003

AMENDED IN SENATE SEPTEMBER 3, 2003

AMENDED IN SENATE AUGUST 26, 2003

AMENDED IN SENATE AUGUST 18, 2003

AMENDED IN SENATE JULY 16, 2003

AMENDED IN SENATE JULY 3, 2003

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY MAY 6, 2003

AMENDED IN ASSEMBLY APRIL 22, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 1266

Introduced by Committee on Budget

February 21, 2003

An act to amend Sections 8957, 44393, 52055.51, 52055.610, 52055.650, 53081, 53083, 60423, 69440, and 84750 of, to amend and renumber Section 52055.52 of, to add Sections 18866, 41474, 52055.54, 54761.4, and 69999.3 to, to add Chapter 4.6 (commencing with Section 18880) to Part 11 of, to add and repeal Section 60422.1 of, to repeal Section 426 of, to repeal Article 4.2 (commencing with Section 18733) and Article 4.5 (commencing with Section 18735) of Chapter 4 of Part 11 of, and Article 5 (commencing with Section 60650) of Chapter 5 of Part 33 of, to repeal Chapter 7 (commencing with Section 99300) of Part 65 of, and to repeal and add Section 53084 of,

AB 1266 — 2 —

the Education Code, and to amend Section 12.40 of Chapter 157 of, and amend Section 37 of Chapter 227 of, the Statutes of 2003, relating to schools, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately. relating to schools, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1266, as amended, Committee on Budget. Schools.

(1) Existing law requires the board of trustees of the California State Summer School for the Arts to set a tuition fee within a range that corresponds to actual costs, up to but not exceeding \$1,000 per session in 1989, and authorizes the board of trustees to increase the fee up to 5% each year thereafter.

This bill would require the costs, for purposes of determining the fee, to be limited to tuition, pupil recruitment expenses, faculty and instructional supplies and related equipment, pupil room and board, and security. The bill would authorize the board of trustees, to the extent that fees are not increased in any year, to increase fees in any subsequent year up to the maximum amount that would have existed if the fees had been increased by 5% in each year. The bill would require the board of trustees to report annually, by October 1, to the Governor, the Legislature, and the Department of Finance the percentages and numbers of pupils that receive scholarships, a waiver of fees, or a reduction in fees, as provided.

(2) Existing law requires the State Librarian to contract for an independent evaluation of a specified portion of the English Language and Intensive Literacy Program and to submit interim reports to the Legislature, as specified.

This bill would repeal those provisions.

(3) Existing law establishes the California Library Literacy Service as a public library services program designed to reduce adult illiteracy by providing English language literacy instruction and related services to adults and youth who are not enrolled in school. Existing law also establishes the Families for Literacy Program, a library services program with the purpose of preventing illiteracy through coordinated literacy and preliteracy services to families that include illiterate adults and young children.

This bill would repeal those programs and instead would establish the California Library Literacy and English Acquisition Services Program

—3— AB 1266

to reduce illiteracy among children and adults by providing English language literacy instruction and related services to native and nonnative English speaking youth and adults residing in California.

(4) Existing law establishes the Library of California Act under which program elements of the California Library Services Act would be phased out and repealed.

This bill would provide that funding for the Library of California Act is contingent upon an appropriation in the annual Budget Act for that purpose.

(5) Existing law requires the West Contra Costa Unified School District to repay certain emergency apportionments according to a repayment schedule that currently sets the interest charges at a rate equal to the daily investment rate of the Pooled Money Investment Account on January 1993.

This bill would authorize the West Contra Costa Unified School District to submit a request to the Director of Finance to have the interest rate on the remaining balance of its emergency apportionments changed to reflect the investment rate of the Pooled Money Investment Account as reported by the State Controller's Office for the immediately preceding fiscal year and would authorize the Director of Finance to so change the interest rate. This bill would make a legislative finding and declaration that due to the unique fiscal circumstances surrounding the West Contra Costa Unified School District, a general statue cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

(6) Existing law establishes the California School Paraprofessional Teacher Training Program for the purpose of recruiting paraprofessionals to participate in a program designed to encourage them to enroll in teacher training programs and to provide instructional service as teachers in the public schools. Existing law requires a participating school district or county office of education to certify that it has received a commitment from each participating paraprofessional that he or she will, among other things, complete one school year of classroom instruction in the district or county office of education for each year that he or she receives assistance for books, fees, and tuition while attending an institution of higher education under the program. Existing law requires the participating paraprofessional to repay the assistance to the extent that the participant does not fulfill his or her obligations.

AB 1266 — 4 —

This bill would prohibit a laid off participant from being required to repay the assistance until the participant is offered reemployment and has an opportunity to fulfill his or her obligations, and would make technical, nonsubstantive changes.

(7) Existing law authorizes invited schools that score below the 50th percentile on specified achievement tests to receive planning grants under the Immediate Intervention/Underperforming Schools Program (IIUSP). Under the existing IIUSP, a school that has not met its growth targets and has failed to show significant growth 24 months after receiving grant funding under that program is deemed a state-monitored school, and may be, among other things, placed under the management of designated entities, or may be required to enter into a contract with a school assistance and intervention team for purposes of implementing the recommendations contained in the report prepared by that team for purposes of school improvement.

This bill would specify timelines for entering into a contract with a school assistance and intervention team and for adopting the team's recommendations. The bill would provide that from funds appropriated each year in the annual Budget Act to the State Department of Education for purposes of the federal No Child Left Behind Act or from state funds appropriated for this purpose, an allocation is to be made by the department to school districts and county offices of education (1) to provide \$150 per pupil for each pupil in a school that is required to enter into a contract with a school assistance and intervention team, (2) to provide \$150 per pupil for each pupil in a school that is managed by an entity designated to manage a state-monitored school under the IIUSP, (3) to provide funding for the support of each entity that is assigned to manage a state-monitored school, and (4) to provide \$75,000 for the support of each school assistance and intervention team assigned to an elementary or middle school and \$100,000 for each team assigned to a high school. The bill would authorize a school to receive up to \$125,000 if the State Department of Education determines that additional funding is justified.

(8) Existing law establishes the High Priority School Grant Program for Low Performing Schools under which funds are made available to eligible schools for implementation of a school action plan that includes specified components. Existing law sets forth deadlines for the application process to receive a grant pursuant to the program.

This bill would provide that, notwithstanding those deadlines, if funding is made available for this purpose, the State Board of Education __5__ AB 1266

may approve additional applications received for the program in the 2002–03 and 2003–04 fiscal years, if other specified requirements are met. This bill would also provide that a school participating in the program that received a planning grant in the 1999–2000 fiscal year is eligible to receive program funding in the 2002–03 fiscal year only and that a school participating in the program that received a planning grant in the 2001–02 fiscal year is eligible to receive program funding in the 2002–03 and 2003–04 fiscal years only.

(9) Existing law requires the Office of the Secretary for Education, the State Department of Education, the Chancellor's Office of California Community Colleges, and the Health and Human Services Agency to enter into an interagency agreement to establish the Interagency Partnership for School-to-Career Programs. Existing law appropriated \$2,000,000 from the General Fund to the Secretary for Education for purposes of the program.

This bill would require the State Department of Education, rather than the Interagency Partnership, to administer the School-to-Career Program. The bill would eliminate the appropriation and, instead, would provide that funding for the program is contingent upon an appropriation for this purpose in the annual Budget Act or in other legislation.

(10) Existing law establishes supplemental grants for allocation to school districts that receive less than average funding from specified categorical education programs. Existing law authorizes school districts to change their designation of supplemental grant funds from specified categorical education programs to another of those programs and makes an action to change or maintain the 1994–95 designation in the 1995–96 fiscal year applicable to the 1995–96 fiscal year and each fiscal year thereafter.

This bill would, notwithstanding any other law and until December 1, 2003, authorize a school district to change its designation of supplemental grant funds from specified categorical education programs to any other or others of those programs.

(11) Existing law establishes the Instructional Materials Funding Realignment Program and requires a local governing board to use funding received pursuant to the program to ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials, as provided. Existing law requires pupils to be provided with the textbooks or instructional materials by the beginning of the first

AB 1266 — 6 —

school term that commences no later than 24 months after those materials were adopted by the State Board of Education.

This bill, instead, would provide that, until June 30, 2005, a local governing board shall use funds received pursuant to the program to ensure pupils are provided with standards-aligned textbooks or instructional materials by the beginning of the first school term that commences no later than 36 months after those materials are adopted by the State Board of Education.

(12) Existing law provides that for the 2002–03 and 2003–04 fiscal years only, a requirement that the governing board of a school district provide a pupil with standards-aligned instructional materials, may be satisfied if the governing board provides a pupil with standards-aligned instructional materials that were adopted by the State Board of Education pursuant to specified legislation enacted in 1998.

This bill would additionally allow that exception to apply in the 2004–05 fiscal year.

(13) Existing law establishes the Golden State Examination Program to measure advanced pupil achievement on the academically rigorous content standards adopted by the State Board of Education.

This bill would repeal that program.

(14) Existing law establishes the Cal Grant Program, and requires that Cal Grant T awards be used only for tuition and student fees for a maximum of one academic year of full-time attendance in a program of professional preparation that is approved by the Commission on Teacher Credentialing. Existing law requires that a minimum of 3,000 new Cal Grant T awards be made each year.

This bill would delete the requirements regarding the number of Cal Grant T awards that are required to be made in a fiscal year.

(15) Existing law established the Governor's Scholars Program under which a pupil was authorized to receive a scholarship award for attaining a high score, as specified, on the reading and mathematics portions of the statewide achievement test. Existing law also established the Governor's Distinguished Mathematics and Science Scholars Program under which a pupil was authorized to receive a scholarship award for demonstrating specified high academic achievement in mathematics and science. Both of these programs became inoperative on July 1, 2003, and are repealed as of January 1, 2004.

This bill would provide that no award is to be made, nor is there any entitlement to an award, based on a test taken in 2003. The bill would

—7— AB 1266

provide that notwithstanding the in operation and repeal of those programs, the Scholarshare Investment Board may continue to administer the scholarship accounts established pursuant to those programs for scholarships that were authorized and awarded prior to July 1, 2003.

(16) Existing law requires the Board of Governors of the California Community Colleges to develop, within certain statewide minimum requirements, criteria and standards for the purposes of making the annual budget request for the California Community Colleges.

This bill would revise the statewide minimum requirements on which the criteria and standards are to be based relative to decreases in noncredit FTES, in FTES for credit instruction and for instructional services and libraries, and decreases in headcount for student services.

(17) Existing law, until June 30, 2003, establishes the Student Academic Partnership program to provide preservice training to prospective teachers and secure tutoring assistance for pupils in kindergarten and grades 1 to 6, inclusive.

This bill would repeal the program.

(18) The Budget Act of 2003 authorizes a school district, county office of education, or other educational agency to expend not more than 10% of the amount appropriated for certain educational programs for the purposes of other educational programs, except that the total amount of funding expended for any program may not exceed 115% of the amount of state funding allocated for the program.

This bill would make an appropriation by authorizing a school district, county office of education, or other educational agency that transferred more than that amount between those programs in the 2002–03 fiscal year to transfer up to the amount transferred in the 2002–03 fiscal year for each program.

(19) Existing law sets the growth and cost-of-living adjustments for special education programs at 0% of the 2003–04 fiscal year.

This bill would set only the cost-of-living adjustment for special education programs at 0% for the 2003–04 fiscal year.

(20) Existing law establishes the Teacher Recruitment Incentive Program for the purpose of establishing 6 regional teacher recruitment centers and requires the Sacramento County Office of Education to administer the program.

This bill would authorize a local educational agency that received funds pursuant to the program to expend or encumber those funds through June 30, 2004.

AB 1266 — 8 —

(21) Existing law establishes the School Improvement Program under which funds are allocated to schools with approved planning applications and schools with approved school improvement plans. Existing law rendered the program inoperative on June 30, 1987, but continues the funding for the general purposes of that program.

This bill would, notwithstanding any other law and for the 2003–04 fiscal year only, strongly encourage a school district implementing a school improvement program to first reduce nonpersonnel expenditures supported by those program funds to the extent that funding appropriated for the program is reduced.

- (22) This bill would incorporate changes in Sections 52055.610, 52055.650, and 69440 of the Education Code that were made by AB 96.
- (23) This bill would require the funding reduction to regional occupational centers and programs and adult education programs made by the Budget Act of 2003 as compared to funding for those centers and programs in the Budget Act of 2002 to be administered by the Superintendent of Public Instruction as a reduction to the number of funded units of average daily attendance, as provided.
- (24) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$ *majority*. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 426 of the Education Code is repealed. SEC. 2. Section 8957 of the Education Code is amended to read:
- 4 8957. (a) It is the intent of the Legislature that at least 50 percent, but not more than 75 percent, of the actual costs of the California State Summer School for the Arts (CSSSA) for each fiscal year be financed by state funds. The balance of the operating costs shall be financed with fees and private support.

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(b) The board of trustees shall set a tuition fee within a range that corresponds to actual costs to the summer school of services per pupil, up to but not exceeding one thousand dollars (\$1,000) per session in 1989. These costs shall be limited to tuition, pupil recruitment expenses, faculty and instructional supplies and related equipment, pupil room and board, and security. The amount of this fee may be increased by the board of trustees up to

_9 _ AB 1266

a 5-percent increase each year thereafter. To the extent that fees are not increased as authorized in any year, the board of trustees may increase fees in any subsequent year up to the maximum amount that would have existed if the fees had been increased 5 percent in each year.

- (c) The board of trustees may award full or partial scholarships on the basis of need and ability. Pupils who are unable to pay all or part of the fee may petition the board of trustees for a fee reduction or waiver. The department, in conjunction with the board of trustees, shall promulgate rules and regulations regarding fee reduction and waivers, which shall ensure all of the following:
- (1) That, to the degree scholarship funds are available, no talented applicant shall be denied admission solely because of inability to pay all or part of the fee.
- (2) That any public announcement regarding the summer school program include notification that full scholarships are available, and information regarding the procedure for applying for a scholarship award.
- (3) That, pursuant to Section 8953, pupil participation in the summer school program is broadly representative of the socioeconomic and ethnic diversity of the state.
- (4) That the percentage of low income pupils attending the CSSSA is not reduced below the average percentage of low income pupils attending the CSSSA in the prior two years, as a result of any fee increase approved pursuant to subdivision (b).
- (d) Subdivision (b) applies only to pupils who are California residents. For pupils who are not California residents, the board of trustees annually shall set a tuition fee that is not less than the total actual costs to the summer school of services per pupil. The total actual costs of services per pupil shall be computed each year for this purpose by dividing the amount of school expenditures for the prior fiscal year by the total pupil population for the prior year.
- (e) The Foundation for the California State Summer School for the Arts, which has been established as a nonprofit foundation to support the CSSSA, may raise funds from the private sector that may be used by the summer school for general program operating costs, scholarships, program augmentation, public relations, recruitment activity, or special projects. Private support may include, but not be limited to, direct grants to the summer school from private corporations or foundations, individual

AB 1266 — 10 —

contributions, in-kind contributions, or fundraising benefits conducted by any entity.

- (f) The board of trustees shall report annually by October 1, to the Governor, the Legislature, and the Department of Finance, the percentages and numbers of pupils that receive each of the following:
 - (1) Scholarships.
- (2) A waiver of all fees.
 - (3) A reduction of fees.
- (4) Data comparable to that required by paragraphs (1), (2), and (3) for the prior three years.
- SEC. 3. Article 4.2 (commencing with Section 18733) of 12 Chapter 4 of Part 11 of the Education Code is repealed. 13
- SEC. 4. Article 4.5 (commencing with Section 18735) of Chapter 4 of Part 11 of the Education Code is repealed. 15
 - SEC. 5. Chapter 4.6 (commencing with Section 18880) is added to Part 11 of the Education Code, to read:

CHAPTER 4.6. CALIFORNIA LIBRARY LITERACY AND ENGLISH ACQUISITION SERVICES PROGRAM

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- 18880. (a) The California Library Literacy and English Acquisition Services Program is hereby established within the California State Library as a public library program designed to reduce illiteracy among children and adults by providing English language literacy instruction and related services to native and nonnative English speaking youth and adults residing in California. For purposes of this article, "English language literacy instruction" means the development of basic skills of speaking, reading, and writing in the English language.
- (b) The California State Library shall allocate funds appropriated in the Budget Act for the California Library Literacy and English Acquisition Services Program to local library jurisdictions that are effectively providing literacy services.
- (c) At local discretion, jurisdictions may use their allocation 36 from the State Literacy Program for any of the services described in Section 18881.
 - (d) The California State Library shall provide local jurisdictions with technical assistance to the extent that resources are available for this purpose.

— 11 — AB 1266

18881. The California Library Literacy and English Acquisition Services Program for public libraries may be used for any of the following:

- (a) (1) Services designed to reduce adult illiteracy by providing English language literacy instruction and related services to adults and youth who are not enrolled in school. A participating public library may establish an adult literacy instructional program that provides adult basic literacy instruction and related services. Participant learning shall be evaluated on the basis of statewide guidelines established by the State Librarian.
- (2) The public library shall do all of the following in establishing and implementing the program:
- (A) Seek community and local government awareness of and support for the program and develop a local commitment of resources for the program's continuation.
- (B) Develop cooperative relationships with other local literacy service providers and participate in existing community adult literacy coalitions, in order to address the wide variety of literacy needs of the community and ensure an effective utilization of resources. The public library shall assist in the establishment of a community adult literacy coalition if none currently exists.
- (C) Recruit and train volunteers to provide tutoring and other services in public library and other community settings.
- (D) Certify that the local jurisdiction will provide the same level of local and private fiscal support as it did in the preceding fiscal year.
- (b) (1) Services to prevent illiteracy through coordinated literacy and preliteracy services to families that include illiterate adults and young children. The program shall provide reading preparation services for young children in public library settings and shall instruct parents in reading to their children. In addition, the program shall provide technical assistance, parent support, and any resources and materials necessary for its implementation.
- (2) A public library implementing this service shall meet all of the following requirements:
- (A) Offer new services to families with young children with the goal of helping the children become successful readers by increasing their general competence, self-confidence, and positive emotional associations with reading as a family experience and familiarity with the lifelong use of library resources. Recruitment

AB 1266 — 12 —

of parents not previously included in public library literacy programs is a high priority.

- (B) Families eligible for the program shall include, but not be limited to, those with young children up to the age of five years.
 - (C) Program meetings shall be held in public library settings.
- (D) The public library literacy program staff and children's services staff shall work in close coordination with the State Library in administering the program to assure maximum integration of literacy services to parents and preliteracy services to their children.
- (3) Services offered by a public library under this subdivision shall include the following:
- (A) Acquisition of books, of appropriate reading levels for, and containing subjects of interest to, children for ownership by young children of families participating in the program.
- (B) Regular meetings of parents and children in public library settings during hours that are suitable for parents and their children.
- (C) Storytelling, word games, and other exercises designed to promote enjoyment of reading in adults and children.
- (D) Use of children's books and language experience stories from the meetings as material for adult literacy instruction.
- (E) Instruction for parents in book selection and reading aloud to children.
- (F) Services to enhance full family participation and to foster a family environment conducive to reading.
- (G) Assistance to parents in using services in order to access books and other materials on such topics as parenting, child care, health, nutrition, and family life education.
- (H) Other services, as necessary to enable families to participate in the program.
- (c) Services for pupils in kindergarten and grades 1 to 12, inclusive, and their families in local English language learner and literacy programs. Local libraries may offer year-round literacy and English language tutoring in collaboration with nonprofit and other local organizations.
- 18883. A local library shall ensure that funds received pursuant to this chapter are exclusively used for expenses resulting from providing English language and literacy services and shall

— 13 — AB 1266

ensure that at least 90 percent of the funds received for the program 2 are expended on direct services and related materials.

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18884. The State Librarian shall provide a report by March 1, 2004, to the Legislature that includes, but is not limited to, all of the following information:

- (a) The amount of funding allocated pursuant to this chapter.
- 7 (b) The number of libraries or schools participating in the
 - (c) The types of services to be provided with funds received pursuant to this chapter.
 - (d) The number of English language learners participating in the program.
 - (e) The number of parents or adults participating in the program.
 - SEC. 6. Section 18866 is added to the Education Code, to read:
 - 18866. Funding for the purposes of this chapter is contingent upon an appropriation being made for that purpose in the annual Budget Act.
 - SEC. 7. Section 41474 is added to the Education Code, to read:
 - 41474. Notwithstanding Sections 41471 and 41472, the school district may submit a request to the Director of Finance to have the interest rate on the remaining outstanding balance of its emergency apportionments changed to reflect the investment rate of the Pooled Money Investment Account as reported by the State Controller's Office for the immediately preceding fiscal year. The Director of Finance may change the interest rate as requested by the school district pursuant to this section. A change in the interest rate does not change other terms of the repayment schedule.
- SEC. 8. Section 44393 of the Education Code is amended to 32 read:
 - 44393. (a) The California School Paraprofessional Teacher Training Program is hereby established for the purpose of recruiting paraprofessionals to participate in a program designed to encourage them to enroll in teacher training programs and to provide instructional service as teachers in the public schools.
 - (b) The Commission on Teacher Credentialing, in consultation with the Chancellor of the California Community Colleges, the Chancellor of the California State University, the President of the

AB 1266 — 14 —

University of California, the chancellors of private institutions of higher education that offer accredited teacher training programs, and representatives of certificated and classified employee organizations, shall select 24 or more school districts or county offices of education representing rural, urban, and suburban areas that apply to participate in the program. The commission shall ensure that, at a minimum, a total of 600 school paraprofessionals are recruited from among the 24 or more participating school districts or county offices of education. The criteria adopted by the commission for the selection of school districts or county offices of education to participate in the program shall include all of the following:

- (1) The extent to which the applicant school district or county office of education demonstrates the capacity and willingness to accommodate the participation of school paraprofessionals of the school in teacher training programs conducted at institutions of higher education.
- (2) The extent to which the applicant's plan for the implementation of its recruitment program involves the active participation of one or more local campuses of the participating institutions of higher education in the development of coursework and teaching programs for participating school paraprofessionals. Each selected school district or county office of education shall be required to enter into a written articulation agreement with the participating campuses of the institutions of higher education.
- (3) The extent to which the applicant's plan for recruitment attempts to meet the demand for bilingual-crosscultural teachers.
- (4) The extent to which the applicant's plan for recruitment attempts to meet the demand for multiple subject credentialed teachers interested in teaching kindergarten or any of grades 1 to 3, inclusive. For purposes of this paragraph, each paraprofessional selected to participate shall have completed at least two years of undergraduate college or university coursework and shall have demonstrated an interest in obtaining a multiple subject teaching credential for teaching kindergarten or any of grades 1 to 3, inclusive.
- (5) The extent to which the applicant's plan for recruitment attempts to meet the demand for special education teachers.
- (6) The extent to which the applicant's plan for recruitment includes a developmentally sequenced series of job descriptions

—15— AB 1266

that lead from an entry-level school paraprofessional position to an entry-level teaching position in that school district or county office of education.

- (7) The extent to which the applicant's plan for recruitment attempts to meet its own specific teacher needs.
- (8) The extent to which the applicant's plan for implementation of its recruitment program involves participation in a district internship program pursuant to Sections 44325, 44326, 44327, 44328, and 44830.3 or a university internship program pursuant to Article 3 (commencing with Section 44450) of Chapter 3.
- (c) Each selected school district or county office of education shall provide information and assistance to each school paraprofessional it recruits under the program regarding admission to a teacher training program.
- (d) (1) The school district or county office of education shall recruit and organize groups, or "cohorts," of school paraprofessionals, of no more than 30, and no less than 10, in each cohort. Cohorts shall be organized to consist of school paraprofessionals having approximately equal academic experience and qualifications, as determined by the school district or county office of education. To the extent possible, the members of each cohort shall proceed through the same subject matter and credential programs. The members of each cohort shall enroll in the same campus and shall be provided by the school district or county office of education with appropriate support and information throughout the course of their studies.
- (2) Each school district or county office of education shall certify that it has received a commitment from each member of a cohort that he or she will accomplish all of the following:
- (A) Graduate from an institution of higher education under the program with a bachelor's degree.
- (B) Complete all of the requirements for and obtain a multiple subject, single subject, or education specialist teaching credential.
- (C) Complete one school year of classroom instruction in the district or county office of education for each year that he or she receives assistance for books, fees, and tuition while attending an institution of higher education under the program.
- (3) To the extent that any participant does not fulfill his or her obligations, as set forth in paragraph (2), the participant shall be required to repay the assistance. If a participant is laid off, the

AB 1266 — 16 —

participant may not be required to repay the assistance until the participant is offered reemployment and has an opportunity to fulfill his or her obligations under this section.

- (e) The commission shall contract with an independent evaluator with a proven record of experience in assessing career-advancement programs or teacher training programs to determine the success of the recruitment programs established pursuant to subdivision (b). The evaluation shall be made on an annual basis and shall include, but not be limited to, all of the following:
- (1) The total cost per person participating in the program who successfully obtains a teaching credential, based upon all state, local, federal, and other sources of funding.
- (2) The economic status of persons participating in the pilot program.
- (3) A description of financial and other resources made available to each recruitment program by participating school districts or county offices of education, institutions of higher education, and other participating organizations.
- (4) The extent to which pupil performance on standardized achievement tests has improved in classes taught by teachers who have successfully completed the program, in comparison to classes taught by other teachers who have equivalent teaching experience.
- (5) The extent to which pupil dropout rates and other measures of delinquency have improved in classes taught by teachers who have successfully completed the program.
- (6) The extent to which teachers who have successfully completed the program remain in the communities in which they reside and in which they teach.
- (7) The attrition rate of teachers who have successfully completed the program.
- (f) Each selected school district or county office of education shall report to the commission regarding the progress of each cohort of school paraprofessionals, and other information regarding its recruitment program as the commission may direct.
- (g) No later than January 1 of each year, the commission shall report to the Legislature regarding the status of the pilot program, including, but not limited to, the number of school paraprofessionals recruited, the academic progress of the school

—17— AB 1266

paraprofessionals recruited, the number of school paraprofessionals recruited who are subsequently employed as teachers in the public schools, the degree to which the program meets the demand for bilingual and special education teachers, the degree to which the program or similar programs can meet that demand if properly funded and executed, and other effects upon the operation of the public schools.

(h) It is the intent of the Legislature that each fiscal year, funding for the California School Paraprofessional Teacher Training Program be allocated to the Commission on Teacher Credentialing for grants to school districts pursuant to this section. In no case shall grants to any school district exceed the equivalent of three thousand dollars (\$3,000) annually per paraprofessional in the program. Funding for grants to school districts pursuant to this subdivision, shall be contingent upon an appropriation in the annual Budget Act.

SEC. 9. Section 52055.51 of the Education Code is amended to read:

52055.51. (a) Instead of the actions specified in subdivision (b) of Section 52055.5, and notwithstanding any other law, the Superintendent of Public Instruction, with the approval of the State Board of Education, may require the district to enter into a contract with a school assistance and intervention team no later than 30 days after the public release of the school's growth in API results or the next regularly scheduled meeting of the State Board of Education following the expiration of the 30 days if meeting the 30-day time limit would not provide the State Board of Education with sufficient time to comply with the requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Division 3 of Title 2 of the Government Code). If the State Board of Education approves, the governing board of the school district may retain its legal rights, duties, and responsibilities with respect to that school.

(b) School assistance and intervention team members should possess a high degree of knowledge and skills in the areas of school leadership, curriculum, and instruction aligned to state academic content and performance standards, classroom management and discipline, academic assessment, parent-school relations, and evaluation and research based reform strategies and have proven AB 1266 — 18 —

 successful expertise specific to the challenges inherent in state-monitored schools.

- (c) The team shall provide intensive support and expertise to implement the school reform initiatives in the plan. Decisions about interventions shall be data driven. A school assistance and intervention team shall work with school staff, site planning teams, administrators, and district staff to improve pupil literacy and achievement by assessing the degree of implementation of the current action plan, refining and revising the action plan, and making recommendations to maximize the use of fiscal resources and personnel in achieving the goals of the plan. The district shall provide support and assistance to enhance the work of the team at the targeted schoolsites.
- (d) Not later than 60 days after the assignment of a school assistance and intervention team, the team shall complete a report. The report shall include recommendations for corrective actions chosen from a range of interventions, including the reallocation of district fiscal resources to ensure that appropriate resources are targeted to those specific interventions identified in the recommendations of the team for the targeted schools and other changes deemed appropriate to make progress toward meeting the school's growth target.
- (e) Not later than 90 days after assignment of the school assistance and intervention team, the governing board of the school district shall adopt the team's initial recommendations at a regularly scheduled meeting of the governing board. Any subsequent recommendations proposed by the school assistance and intervention team shall be submitted to the governing board and shall be adopted by the governing board within 30 days of the submission. The governing board may not place the adoption on the consent calendar. All recommendations adopted by the governing board shall be submitted to the Superintendent of Public Instruction and State Board of Education.
- (f) Following the governing board's adoption of the recommendations, the governing board may submit an appeal to the Superintendent of Public Instruction for relief from one or more of the recommendations. The Superintendent of Public Instruction, with approval of the State Board of Education, may grant relief from compliance with any of the school assistance and intervention team recommendations.

—19— AB 1266

(g) If a school assistance and intervention team does not fulfill its legal obligations under this section, the governing board of the school district may seek permission from the Superintendent of Public Instruction, with the approval of the State Board of Education, to contract with a different school assistance and intervention team. Upon a finding that the school assistance and intervention team has not fulfilled its legal obligations under this section, the Superintendent of Public Instruction, with the approval of the State Board of Education, may remove the school assistance and intervention team from the state list of eligible providers.

- (h) No less than three times during the year, the school district and schoolsite shall present the team with data regarding progress toward the goals established by the team's initial assessment. The data shall be presented to the governing board of the school district at a regularly scheduled meeting. The team shall, to the extent possible, utilize existing site data. The data shall also be provided to the Superintendent of Public Instruction and State Board of Education. Every effort shall be made to report this data in a manner that minimizes the length and complexity of the reporting requirement in order to maximize the focus on improving pupil literacy and achievement.
- (i) An action taken pursuant to this section may not increase local costs or require reimbursement by the Commission on State Mandates.
- SEC. 10. Section 52055.52 of the Education Code, as added by Section 5 of Chapter 1035 of the Statutes of 2002, is amended and renumbered to read:
- 52055.55. (a) Thirty-six months after the Superintendent of Public Instruction assigns a management team, trustee, or a school assistance and intervention team to a schoolsite, if the school makes significant growth on the Academic Performance Index, as determined by the State Board of Education, in two consecutive years, the school shall exit the Immediate Intervention/Underperforming Schools Program and is no longer subject to the requirements of the program.
- (b) Thirty-six months after the Superintendent of Public Instruction assigns a management team, trustee, or a school assistance and intervention team to a schoolsite, if the management team, trustee, or school assistance and intervention team fails to

AB 1266 — 20 —

assist the school in making significant growth on the Academic Performance Index, as determined by the State Board of Education, the Superintendent of Public Instruction shall remove the management team, trustee, or school assistance and intervention team from providing services at the schoolsite and any other schoolsite. Additionally, the Superintendent of Public Instruction shall do at least one of the following:

- (1) Require the school district to ensure, using available federal funds, that 100 percent of the teachers at the schoolsite are highly qualified, as defined by the state for the purposes of the federal No Child Left Behind Act (20 U.S.C. Sec. 6301 et seq.).
- (2) Require the school to contract, using available federal funds, with an outside entity to provide supplemental instruction to high-priority pupils and assign a management team, trustee, or school assistance and intervention team that has demonstrated success with other state-monitored schools.
- (3) Allow parents of pupils enrolled at the school to apply directly to the State Board of Education to establish a charter school at the existing schoolsite.
 - (4) Close the school.

- SEC. 11. Section 52055.54 is added to the Education Code, to read:
- 52055.54. From funds appropriated each year in the annual Budget Act to the department pursuant to Section 1003 of Title 1 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 6301) or from state funds appropriated for this purpose, the following amounts shall be allocated by the department to school districts and county offices of education:
- (a) The amount of one hundred fifty dollars (\$150) per pupil for each pupil in a school that is required to enter into a contract with a school assistance and intervention team pursuant to subdivision (a) of Section 52055.51, for purposes of implementing any recommendations made by the school assistance and intervention team in the report prepared by the team pursuant to subdivision (d) of Section 52055.51. School districts that receive funds under this subdivision shall provide an in-kind match of services, or a match of school district funds in an amount equal to the amount received pursuant to this subdivision.
- (b) The amount of one hundred fifty dollars (\$150) per pupil for each pupil in a school that is managed in accordance with

-21 - AB 1266

subparagraph (C) of paragraph (3) of subdivision (b) of Section 52055.5, for purposes of improving the academic performance of that school. School districts that receive funds under this subdivision shall provide an in-kind match of services, or a match of school district funds in an amount equal to the amount received pursuant to this paragraph.

- (c) Funding for the support of each school assistance and intervention team that enters into a contract with a school district pursuant to subdivision (a) of Section 52055.51 shall be allocated as follows:
- (1) Seventy-five thousand dollars (\$75,000) for each school assistance and intervention team assigned to an elementary or middle school.
- (2) One hundred thousand dollars (\$100,000) for each school assistance and intervention team assigned to a high school.
- (3) If a school district determines that it needs more than the amounts specified in paragraphs (1) and (2), the school district may apply to the department for additional funding. The application shall include justification for the requested increase. The department and the Department of Finance shall review any applications and may provide funding up to a total funding level of one hundred twenty-five thousand dollars (\$125,000), including the amount provided pursuant to paragraph (1) or (2).
- (4) As a condition of receipt of funds pursuant to this subdivision, a school district shall provide an in-kind match of services, or a match of school district funds, in an amount equal to one dollar (\$1) for every two dollars (\$2) provided pursuant to paragraphs (1), (2), or (3).
- SEC. 12. Section 52055.610 of the Education Code is amended to read:
- 52055.610. (a) The Superintendent of Public Instruction shall establish a procedure that is consistent with this article for the approval of applications and school action plans.
- (b) Notwithstanding the existing application process established pursuant to Article 3 (commencing with Section 52053), in developing an action plan to be submitted with the application for funding pursuant to this article, a school may choose from the following options:
- (1) A school district on behalf of an eligible school under its jurisdiction may elect to receive fifty thousand dollars (\$50,000)

AB 1266 — 22 —

as a planning grant from funds appropriated for purposes of this article. These planning grant funds shall be used for technical assistance in the development of the school action plan. Technical assistance includes assistance provided by school district personnel, county offices of education, universities, a state approved external evaluator, or any other entity that has proven successful expertise specific to the challenges inherent in high-priority schools. If the school action plan is approved, the Superintendent of Public Instruction shall provide funding for its implementation. Planning grant funds, as well as other funds available to school districts pursuant to this article, may be used for ongoing technical assistance throughout the implementation of the action plan and continued participation in the program established pursuant to Article 3 (commencing with Section 52053) and the program established pursuant to this article.

- (2) A school district, on behalf of an eligible school under its jurisdiction, may elect to forego the fifty thousand dollars (\$50,000) planning grant and immediately submit its application and school action plan. If a school chooses this option, the Superintendent of Public Instruction shall take one of the following actions:
- (A) Recommend approval of the application by the State Board of Education and action plan and provide funding for implementation of the school action plan.
- (B) Request additional clarification and technical changes, after which the school and district shall resubmit the application and school action plan with the clarifications and changes for approval. If the application and school action plan is approved, the Superintendent of Public Instruction shall provide funding for implementation of the school action plan.
- (C) Disapprove the plan in which case a school district on behalf of an eligible school under its jurisdiction shall receive a fifty thousand dollar (\$50,000) planning grant that shall be used for technical assistance in the redevelopment of the school action plan according to the department's recommendations. Technical assistance includes assistance provided by school district personnel, county offices of education, universities, a state approved external evaluator, or any other entity that has proven expertise specific to the challenges inherent in high-priority schools.

— 23 — AB 1266

- (c) The following deadlines apply for the 2001–02 fiscal year:
- (1) A school district on behalf of an eligible school under its jurisdiction shall submit the application and school action plan to the Superintendent of Public Instruction for review and approval by May 15, 2002.

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- (2) The Superintendent of Public Instruction shall make a recommendation to the State Board of Education regarding approval or disapproval of applications and school action plans by June 15, 2002. The State Board of Education shall approve or disapprove the application and action plan by June 30, 2002. Upon approval by the State Board of Education, the department shall allocate funding to schools for the implementation of the action plan. If the State Board of Education fails to approve or disapprove the application and school action plan by June 30, 2002, the recommendation of the Superintendent of Public Instruction shall be deemed to be adopted and funding for implementation of the action plan shall be allocated.
- (3) If the Superintendent of Public Instruction takes the action specified in subparagraph (B) of paragraph (2) of subdivision (b), the school and school district shall resubmit the application and school action plan with the clarifications and changes for approval by August 1, 2002, and the Superintendent of Public Instruction shall make a recommendation to the State Board of Education regarding approval or disapproval by September 1, 2002. The State Board of Education shall approve or disapprove the application and action plan by September 30, 2002. If the action plan is approved, the department shall allocate funding to the school district on behalf of an eligible school under its jurisdiction for implementation of the action plan. If the State Board of Education fails to approve or disapprove the application and school action plan by September 30, 2002, the recommendation of the Superintendent of Public Instruction shall be deemed to be adopted and funding for implementation of the action plan is to be allocated.
- (4) A school district may request, and the State Board of Education may waive, the deadlines set forth in this subdivision.
- (d) If a school receives implementation funding during the same fiscal year it receives a fifty thousand dollar (\$50,000) planning grant, the planning grant shall be deducted from the

AB 1266 — 24 —

amount of implementation funding provided to the school pursuant to subdivision (b) of Section 52055.600.

- (e) Notwithstanding the deadlines specified in this section, if funding is made available for this purpose, the State Board of Education may approve additional applications in the 2002–03 and 2003–04 fiscal years from school districts that comply with the requirements of this article.
- SEC. 13. Section 52055.650 of the Education Code is amended to read:
- 52055.650. (a) Section 52055.5 does not apply to a school participating in the High Priority School Grant Program.
- (b) Twenty-four months after receipt of funding for implementation of the action plan pursuant to Sections 52054.5 and 52055.600 or no sooner than July 1, 2004, a school that has not met its growth targets each year shall be subject to review by the State Board of Education. This review shall include an examination of the school's progress relative to the components and reports made pursuant to Section 52055.640. The Superintendent of Public Instruction, with the approval of the State Board of Education, may direct that the governing board of a school take appropriate action and adopt appropriate strategies to provide corrective assistance to the school in order to achieve the components and benchmarks established in the school's action plan.
- (c) Thirty-six months after receipt of funding to implement a school action plan or no sooner than July 1, 2005, a school that has met or exceeded its growth target each year shall receive a monetary or nonmonetary award, under the Governor's Performance Award Program, as set forth in Section 52057. Funds received pursuant to that section may be used at the school's discretion.
- (d) Thirty-six months after receipt of funding to implement a school action plan or no sooner than July 1, 2005, a school that has not met its growth targets each year, but demonstrates significant growth, as determined by the State Board of Education, shall continue to participate in the program and receive funding as specified in Sections 52054.5 and 52055.600.
- (e) Notwithstanding any other provision of law, the Superintendent of Public Instruction, with the approval of the State Board of Education, shall follow the course of action

__ 25 __ AB 1266

prescribed by paragraph (1) or (2) with respect to a school that does not meet its growth targets within the periods described in either subdivision (c) or (d), as applicable, or no later than July 1, 2005, and has failed to show significant growth, as determined by the State Board of Education.

(1) Require the district to enter into a contract with a school assistance and intervention team.

- (A) Team members should possess a high degree of knowledge and skills in the areas of school leadership, curriculum, and instruction aligned to state academic content and performance standards, classroom management and discipline, academic assessment, parent-school relations, and evaluation and research-based reform strategies and have proven successful expertise specific to the challenges inherent in high-priority schools.
- (B) The team shall provide intensive support and expertise to implement the school reform initiatives in the plan. Decisions about interventions shall be data driven. A school assistance and intervention team shall work with school staff, site planning teams, administrators, and district staff to improve pupil literacy and achievement by assessing the degree of implementation of the current action plan, refining and revising the action plan, and making recommendations to maximize the use of fiscal resources and personnel in achieving the goals of the plan. The district shall provide support and assistance to enhance the work of the team at the targeted schoolsites.
- (C) Not later than 60 days after the school's API becomes public, the team shall complete an initial report. The report shall include recommendations for corrective actions chosen from a range of interventions, including the reallocation of district fiscal resources to ensure that appropriate resources are targeted to those specific interventions identified in the recommendations of the team for the targeted schools and other changes deemed appropriate to make progress toward meeting the school's growth target. Not later than 90 days after the API is made public, the governing board of the school district shall adopt the team's recommendations at a regularly scheduled meeting of the governing board. The governing board may not place the adoption on the consent calendar. The report shall be submitted to the

AB 1266 — 26 —

1 Superintendent of Public Instruction and State Board of 2 Education.

- (D) No less than three times during the year, the school district and schoolsite shall present the team with data regarding progress toward the goals established by the team's initial assessment. The data shall be presented to the governing board of the school district at a regularly scheduled meeting. The team shall, to the extent possible, utilize existing site data. The data shall also be provided to the Superintendent of Public Instruction and State Board of Education. Every effort shall be made to report this data in a manner that minimizes the length and complexity of the reporting requirement in order to maximize the focus on improving pupil literacy and achievement.
- (E) An action taken pursuant to this paragraph shall not increase local costs or require reimbursement by the Commission on State Mandates.
- (2) The Superintendent of Public Instruction shall assume all the legal rights, duties, and powers of the governing board with respect to the school. The Superintendent of Public Instruction, in consultation with the State Board of Education and the governing board of the school district, shall reassign the principal of that school subject to the findings in subdivision (i). In addition to reassigning the principal, the Superintendent of Public Instruction, in consultation with the State Board of Education, shall, notwithstanding any other provision of law, do at least one of the following:
- (A) Revise attendance options for pupils to allow them to attend any public school in which space is available. If an additional attendance option is made available, this option may not require either the sending or receiving school district to incur additional transportation costs.
- (B) Allow parents or guardians to apply directly to the State Board of Education for the establishment of a charter school and allow parents or guardians to establish the charter school at the existing schoolsite.
- (C) Under the supervision of the Superintendent of Public Instruction, assign the management of the school to a college, university, county office of education, or other appropriate educational institution. However, the Superintendent of Public Instruction may not assume the management of the school.

— 27 — AB 1266

- (D) Reassign other certificated employees of the school.
- 2 (E) Renegotiate a new collective bargaining agreement at the 3 expiration of the existing collective bargaining agreement.
 - (F) Reorganize the school.
 - (G) Close the school.

- (f) In addition to the actions listed in subdivision (e), the Superintendent of Public Instruction, in consultation with the State Board of Education, may take any other action considered necessary or desirable against the school district or the school district governing board, including appointment of a new superintendent or suspension of the authority of the governing board with respect to a school that does not meet its growth targets within the periods described in either subdivision (b) or (c), as applicable, and has failed to show significant growth, as determined by the State Board of Education.
- (g) Before the Superintendent of Public Instruction may take any action against a principal pursuant to subdivision (e), the Superintendent of Public Instruction or a designee of the superintendent shall hold a public hearing on the matter in the school district and make both of the following findings:
- (1) A finding that the principal had the authority to take specific enumerated actions that would have helped the school meet its performance goals.
- (2) A finding that the principal failed to take specific enumerated actions pursuant to paragraph (1).
- (h) An action taken pursuant to subdivision (e), (f), or (g) shall not increase local costs or require reimbursement by the Commission on State Mandates.
- (i) An action taken pursuant to subdivision (e), (f), or (g) shall be accompanied by specific findings by the Superintendent of Public Instruction and the State Board of Education that the action is directly related to the identified causes for continued failure by a school to meet its performance goals.
- (j) (1) Notwithstanding subdivision (a), a school participating in the High Priority School Grant Program that received a planning grant pursuant to subdivision (f) of Section 52053 in the 1999–2000 fiscal year is eligible to receive funding pursuant to Section 52055.600 in the 2002–03 fiscal year only.
- (2) Notwithstanding subdivision (a), a school participating in the High Priority School Grant Program that received a planning

AB 1266 — 28 —

grant pursuant to subdivision (1) of Section 52053 in the 2000–01 fiscal year is eligible to receive funding pursuant to Section 52055.600 in the 2002–03 and 2003–04 fiscal years only.

- (k) Notwithstanding the growth target timelines set forth in subdivisions (b), (c), (d), and (e), for a school that receives funds pursuant to Section 52055.600 during the 2002–03 or 2003–04 fiscal year, the growth target deadline for subdivision (b) is December 31, 2004, and the growth target deadline for subdivisions (c), (d), and (e) is December 31, 2005.
- SEC. 14. Section 53081 of the Education Code is amended to read:
 - 53081. The State Department of Education shall administer the School-to-Career Program and serve the following roles:
 - (a) Develop or participate in the development of accountability measurements specified in paragraph (8) of subdivision (b) of Section 53082 for school-to-career programs to ensure that the goals of the program are being met.
 - (b) Award grants to eligible applicants that meet or exceed the criteria specified in subdivision (b) of Section 53082.
 - (c) Provide technical and professional assistance to all local partnerships.
 - (d) Consult and offer advice to partnerships.
 - (e) Provide an informational link where local partnerships can collaborate and exchange successful and innovative methods and ideas.
 - SEC. 15. Section 53083 of the Education Code is amended to read:
 - 53083. (a) Funds for school-to-career programs shall be appropriated to the department for distribution to local partnerships for the purposes specified in subdivision (e).
 - (b) Funds shall be awarded through a competitive grant process where only one local partnership can receive funds for a geographic area.
 - (c) Funds shall be awarded to local partnerships that demonstrate gains in accountability measurements specified in paragraph (8) of subdivision (b) of Section 53082.
 - (d) The department is not required to fund a geographic area if the department concludes that no grant application satisfactorily meets the requirements specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 53082.

— 29 — AB 1266

- (e) Funds received through the grant process shall be used to perform the critical functions of convening, connecting, measuring, and brokering specific services that serve to build a locally defined system that provides the connections between educators, employers, local government, and the community to improve public education for all pupils in the defined geographic area. Funds may be used for the following connecting activities:
 - (1) Matching pupils with work-based opportunities.

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- (2) Using schoolsite mentors as liaisons between educators, business, parents, and community partners.
- (3) Providing technical assistance to help employers and educators design comprehensive school-to-career systems.
- (4) Providing technical assistance to help teachers integrate school- and work-based learning as well as academic and occupational subject matter.
- (5) Encouraging active business involvement in school- and work-based activities.
- (6) Assisting pupils in finding appropriate work, continuing their education or training, and linking them to other community services.
- (7) Evaluating post-program outcomes to assess program success, particularly with reference to selected populations.
- (8) Linking existing youth development activities with employer and industry strategies to upgrade worker skills.
 - SEC. 16. Section 53084 of the Education Code is repealed.
- SEC. 17. Section 53084 is added to the Education Code, to read:
- 53084. Funding for this chapter is contingent upon an appropriation for this purpose provided in the annual Budget Act or in any other statute.
- 31 SEC. 18. Section 54761.4 is added to the Education Code, to read:
- 33 54761.4. Notwithstanding any other law, until December 1,
- 34 2003, a school district may change its designation of supplemental
- 35 grant funds, from any categorical education program to any other
- 36 categorical education program or programs set forth in clause (i)
- 37 of subparagraph (B) of paragraph (1) of subdivision (a) of Section
- 38 54761. If a school district does not notify the Superintendent of
- 39 Public Instruction of a change of designation by December 1,

AB 1266 — 30 —

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2003, the Superintendent of Public Instruction shall allocate funds as otherwise specified by the school district.

- 3 SEC. 19. Section 60422.1 is added to the Education Code, to 4 read:
- 60422.1. (a) Notwithstanding subdivision (a) of Section 60422, a local governing board shall use funding received 6 pursuant to this chapter to ensure pupils are provided with standards-aligned textbooks or basic instructional materials by the beginning of the first school term that commences no later than 36 10 months after those materials are adopted by the State Board of Education.
 - (b) This section shall remain in effect only until June 30, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before June 30, 2005, deletes or extends that date.
 - SEC. 20. Section 60423 of the Education Code is amended to read:
 - 60423. (a) Notwithstanding Section 60422 or any other law, for the 2002-03, 2003-04, and 2004-05 fiscal years only, a requirement that the governing board of a school district provide a pupil with standards-aligned instructional materials, as adopted by the State Board of Education subsequent to the adoption of content standards pursuant to Section 60605 for kindergarten and grades 1 to 8, inclusive, may be satisfied if the governing board of a school district provides a pupil with standards-aligned instructional materials that were adopted by the State Board of Education pursuant to Chapter 481 of the Statutes of 1998.
 - (b) This section shall be in effect only until July 1, 2005, and as of that date is repealed, unless a later enacted statute, which is enacted before July 1, 2005, deletes or extends that date.
 - SEC. 21. Article 5 (commencing with Section 60650) of Chapter 5 of Part 33 of the Education Code is repealed.
 - SEC. 22. Section 69440 of the Education Code is amended to read:
 - 69440. (a) Commencing with the 2001–02 academic year, and each academic year thereafter, Cal Grant T awards shall be used only for tuition and student fees for a maximum of one academic year of full-time attendance in a program of professional preparation that has been approved by the California Commission on Teacher Credentialing. The maximum award amount, and the total amount of funding, shall be determined each year in the

-31 - AB 1266

annual Budget Act. As a condition of receiving a Cal Grant T award, a recipient shall teach for one year in a high-priority school, as defined in paragraph (3) of subdivision (c) of Section 44510, for each two thousand dollar (\$2,000) incentive provided through the Cal Grant T Program, for a period not to exceed four years. Any recipient who fails to meet his or her teaching obligation shall repay the Cal Grant T award.

- (b) The commission shall allocate Cal Grant T awards using academic criteria or criteria related to past performance similar to that used in awarding Cal Grant A awards for the 2000–01 academic year.
- SEC. 23. Section 69999.3 is added to the Education Code, to read:

- 69999.3. No award may be made pursuant to this article based on a test taken in 2003. A pupil is not entitled to an award pursuant to this article based on a test taken in 2003.
- SEC. 24. Section 84750 of the Education Code is amended to read:

84750. The board of governors, in accordance with the statewide requirements contained in subdivisions (a) to (j), inclusive, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purposes of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

In developing the criteria and standards, the board of governors shall utilize and strongly consider the guidelines and work products of the Task Force on Community College Financing as established pursuant to Chapter 1465 of the Statutes of 1986, and shall complete the development of these criteria and standards, accompanied by the necessary procedures, processes, and formulas for utilizing its criteria and standards, by March 1, 1990, and shall submit on or before that date a report on these items to the Legislature and the Governor.

The board of governors shall develop the criteria and standards within the following statewide minimum requirements:

AB 1266 — 32 —

(a) The calculations of each community college district's revenue level for each fiscal year shall be based on the level of general apportionment revenues (state and local) the district received for the prior year plus any amount attributed to a deficit of minimum workload growth, with revenue adjustments being made for increases or decreases in workload, for program improvement as authorized by this section or by any other provision of law, for inflation, and for other purposes authorized by law.

- (b) (1) For credit instruction, the funding mechanism developed pursuant to this section shall recognize the needs among the major categories of operation of community colleges, with categories established for instruction, instructional services and libraries, student services, maintenance and operations, and institutional support.
- (2) The board of governors may propose to the Legislature, for enactment by statute, other cost categories when adequate data exist.
- (3) Funding for noncredit classes shall be determined as follows:
- (A) The preliminary amount per noncredit full-time equivalent student (FTES) for 1991–92 shall be equal to the comparable amount for 1990–91 with increases corresponding to the cost-of-living adjustment (COLA) specified in subdivision (e) and corresponding to any program improvement provided to the maintenance and operations category for 1991–92.
- (B) Funds for maintenance and operations shall be included in the funds derived under paragraph (4) of subdivision (c).
- (C) Funds for institutional support will be derived as part of the computation under paragraph (5) of subdivision (c).
- (D) From the preliminary amount described in subparagraph (A), a deduction shall be made corresponding to the amounts derived in subparagraphs (B) and (C), and the remainder shall be the funded amount per noncredit FTES for 1991–92.
- (E) Changes in noncredit FTES shall result in adjustments to revenues as follows:
- (i) Increases in noncredit FTES shall result in an increase in revenues in the year of the increase and at the average rate per noncredit FTES.

— 33 — AB 1266

(ii) Decreases in noncredit FTES shall result in a revenue reduction in the year following the decrease and at the average rate per noncredit FTES.

- (iii) Districts shall be entitled to restore any reductions in apportionment revenue due to decrease in noncredit FTES during the three years following the initial year of decrease in noncredit FTES if there is a subsequent increase in FTES.
- (4) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled students programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under budget formulas of program-based funding.
- (5) District revenues shall be determined based on systemwide funding standards within the categories, and revenue adjustments shall occur based on distinct measures of workload applicable to each category.
- (c) Workload measures applicable to each category shall be established with the following measures to be provided:
- (1) For credit instruction, the workload measure shall be the credit FTES. Changes in credit FTES shall result in adjustments in revenues as follows:
- (A) Increases in FTES shall result in an increase in revenues in the year of the increase and at the statewide average per FTES.
- (B) Decreases in FTES shall result in a revenue reduction in the year following the decrease and at the district's average FTES.
- (C) Districts shall be entitled to restore any reductions in apportionment revenue due to decrease in FTES during the three years following the initial year of decrease in FTES if there is a subsequent increase in FTES.
- (2) For instructional services and libraries, the workload measure shall be the credit FTES. Changes in credit FTES with respect to instructional services and libraries shall result in adjustments to revenues as follows:
- (A) Increases in FTES shall result in an increase in revenues in the year of the increase and at the statewide average rate per FTES.
- (B) Decreases in FTES shall result in a revenue reduction in the year following the decrease and at the district's average per FTES.
- (C) Districts shall be entitled to restore any reductions in apportionment revenue due to decreases in FTES during the three

AB 1266 — 34 —

years following the initial year of decreases in FTES if there is a subsequent increase in FTES.

- (3) For student services, the workload measure shall be based on the numbers of credit students enrolled (headcount).
- Changes in headcount shall result in adjustments to revenues as follows:
- (A) Increases in headcount shall result in an increase in revenues in the year of the increase at the statewide average per headcount.
- (B) Decreases in headcount shall result in a revenue reduction in the year following the decrease at the district's average per headcount.
- (C) Districts shall be entitled to restore any reductions in apportionment revenue due to decrease in headcount during the three years following the initial year of decrease in headcount if there is a subsequent increase in headcount.
- (4) For maintenance and operations, the workload measure shall be based on the number of square feet of owned or leased facilities. Changes in the number of square feet shall be adjusted as follows:
- (A) Increases in the number of square feet shall result in an increase in revenue in the year that the increase occurs and at the average per square foot.
- (B) Decreases in the number of square feet shall result in a decrease in revenue beginning July 1 of the first full year in which the square feet are no longer owned or leased and at the average rate per square foot.
- (5) For institutional support, a single fixed percentage which shall apply to all districts shall be established based on the pattern from the most recent data. The percentage shall be obtained from statewide data by comparing expenditures for this category with the total revenue for all five categories.
- (d) Funding standards, subject to the conditions and criteria of this section, shall be established by the board for the various categories of operation established pursuant to subdivision (b). In consultation as required by subdivision (e) of Section 70901, the board of governors shall annually request program improvement moneys to assist districts in meeting these standards.
- (e) To the extent that funding is provided in the annual budget, revenue adjustments shall be made to reflect cost changes, using

- 35 - AB 1266

the same inflation adjustment as required for school districts pursuant to subdivision (b) of Section 42238.1.

- (f) An adjustment for economies of scale for districts and colleges shall be provided.
- (g) The statewide increase in workload of FTES and headcount shall be, at a minimum, the rate of change of the adult population as determined by the Department of Finance, and may be increased through the budget process to reflect other factors, including statewide priorities, the unemployment rate, and the number of students graduating from California high schools. The allocation of changes on a district-by-district basis shall be determined by the board of governors.
- (h) For fiscal year 1991–92 or on the date Section 84750 is implemented by the board of governors in accordance with Section 70 of Chapter 973 of the Statutes of 1988, whichever is later, all districts shall receive at least the amount of revenue to which they would have been entitled pursuant to Article 1 (commencing with Section 84700) of Chapter 5 of Part 50. Thereafter, allocations shall be made pursuant to this section, as implemented by the board of governors pursuant to the annual State Budget.
- (i) Except as specifically provided by statute, regulations of the board of governors for determining and allocating the state general apportionment to the community colleges may not require district governing boards to expend the allocated revenues in specified categories of operation or according to the workload measures developed by the board of governors.
 - (j) As used in this section:

- (1) "Criteria" means the definitions of elements of institutional practice or activity to be included in the categories of operation of community college districts.
- (2) "Program improvement" means an increase in revenue which is allocated to all districts to fund standards adopted pursuant to subdivision (d). Program improvement also means an increase in revenue allocated to low revenue districts to bring them closer to the statewide average.
- (3) "Standard" means the appropriate level of service in a category of operation of the community college districts.
- 39 SEC. 25. Chapter 7 (commencing with Section 99300) of Part 40 65 of the Education Code is repealed.

AB 1266 — 36 —

SEC. 26. Section 12.40 of Chapter 157 of the Statutes of 2003 is amended to read:

- 12.40. (a) (1) Notwithstanding any other law, not more than 10 percent of the amount apportioned to any school district, county office of education, or other educational agency under the programs funded in this act that were funded in Item 6110-230-0001 of Section 2.00 of SB 160 of the 1999–2000 Regular Session, as introduced on January 8, 1999, may be expended by that recipient for the purposes of any other program for which the recipient is eligible for funding under those items, except that the total amount of funding allocated to the recipient under this section that is expended by the recipient for the purposes of any of those programs may not exceed 115 percent of the amount of state funding allocated pursuant to the appropriations to that recipient for those programs in this act for the 2003–04 fiscal year.
- (2) Notwithstanding paragraph (1), a school district, county office of education, or other educational agency that transferred more than the amount authorized in paragraph (1), for the programs specified in subdivision (b) in for the 2002–03 fiscal year, may transfer from any program specified in subdivision (b) for expenditure for purposes of any other program specified in subdivision (b) up to the amount that was transferred from that program in the 2002–03 fiscal year under the provisions of Section 12.40 of the Budget Act of 2002 (Ch. 379, Stats. of 2002) and may transfer into any program specified in subdivision (b) for expenditure for purposes of that program up to the amount that was transferred into that program in the 2002–03 fiscal year under the provisions of Section 12.40 of the Budget Act of 2002 (Ch. 379, Stats. 2002).

Notwithstanding any other provision of

(3) Notwithstanding any other law, for the 2003–04 fiscal year, local education agencies may also use this authority the authority provided in paragraphs (1) and (2) to provide the funds necessary to initiate a conflict resolution program pursuant to Chapter 2.5 (commencing with Section 32260) of Part 19 of the Education Code, and to continue to support following the three-to-five year state grant period, or to expand, a Healthy Start program pursuant to Chapter 5 (commencing with Section 8800) of Part 6 of the Education Code.

— 37 — AB 1266

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     (b) The education programs that are eligible for the flexibility
  provided in subdivision (a) included the following items: Items
  6110-108-0001, 6110-111-0001, 6110-116-0001, 6110-119-0001,
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  6110-120-0001,
                          6110-122-0001,
                                                 6110-124-0001,
5
  6110-127-0001,
                          6110-128-0001,
                                                 6110-131-0001,
   6110-132-0001,
                          6110-151-0001,
                                                 6110-163-0001,
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   6110-167-0001,
                          6110-181-0001,
                                                 6110-193-0001,
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   6110-197-0001,
                      6110-203-0001,
                                         6110-224-0001,
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   6110-209-0001 of this act.
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(c) It is the intent of the Legislature that the authority in subdivision (a) shall be operative only for the 2003–04 fiscal year and are not intended to be operative in the 2004–05, or any subsequent, fiscal year.

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- (d) As a condition of receiving the funds provided for the programs identified in subdivision (b), local education agencies shall report to the State Department of Education by October 8, 2004, on any amounts shifted between these programs pursuant to the flexibility provided in subdivision (a). The Department of Education shall collect and provide this information to the Joint Legislative Budget Committee, chairs and vice chairs of the fiscal committees for education of the Legislature and the Department of Finance, by February 1, 2005.
- 23 SEC. 27. Section 37 of Chapter 227 of the Statutes of 2003 is 24 amended to read:
- Sec. 37. (a) Notwithstanding Sections 42238.1 and 42238.15 25 of the Education Code or any other law, the growth and 26 cost-of-living adjustments for the programs funded by Items 28 6110-104-0001, 6110-105-0001, 6110-156-0001, 6110-158-0001. 6110-189-0001, 6110-190-0001. 30 6110-191-0001, 6110-196-0001, 6110-232-0001, 6110-234-0001, and 6110-235-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003), and those items identified in 32 subdivision (b) of Section 12.40 of the Budget Act of 2003 (Ch. 34 157, Stats. 2003) shall be zero percent for the 2003–04 fiscal year. 35
- (b) Notwithstanding Section 42238.1 of the Education Code, 36 the cost-of-living adjustment for special education programs funded by Item 6110-161-0001 of Section 2.00 of the Budget Act of 2003 (Ch. 157, Stats. 2003) shall be zero percent for the 2003–04 fiscal year.

AB 1266 — 38 —

(c) Notwithstanding Section 42238.1 of the Education Code or any other law, for purposes of Section 48664 of the Education Code, for the 2003–04 fiscal year, the growth and cost-of-living adjustments shall be zero percent.

- (d) Funds appropriated in the items identified in this section are instead of the amounts that would otherwise be appropriated pursuant to any other law.
- SEC. 28. Notwithstanding any other law, a local educational agency that received funds pursuant to Chapter 3.44 (commencing with Section 44751) of Part 25 of the Education Code, as it existed January 1, 2003, may expend or encumber those funds through June 30, 2004.
- SEC. 29. Notwithstanding any other law, for the 2003–04 fiscal year only, to the extent that funding appropriated for purposes of Article 4 (commencing with Section 52046) of Chapter 6 of Part 28 of the Education Code is reduced, a school district implementing a school improvement program is strongly encouraged to first reduce nonpersonnel expenditures supported by those funds. A school district may reduce personnel expenditures supported by funds received pursuant to Chapter 6 (commencing with Section 52000) of Part 28 of the Education Code but is strongly encouraged to do so only after it makes all possible reductions in nonpersonnel expenditures.
- SEC. 30. Notwithstanding the inoperation and repeal, pursuant to Section 69999.5 of the Education Code, of the Governor's Scholars Program and the Governor's Distinguished Mathematics and Science Scholars Program, the Scholarshare Investment Board may continue to administer the scholarship accounts established pursuant to those programs for scholarships that were authorized and awarded prior to July 1, 2003. The Scholarshare Investment Board may administer those accounts in accordance with Article 20 (commencing with Section 69995) of Chapter 2 of Part 42 of the Education Code, as it read on January 1, 2003, for the duration of the scholarship awards including, but not limited to, dispensing qualified withdrawals of awards.
- SEC. 31. The reduction in funding to regional occupational centers and programs and adult education programs by Items 6110-105-0001 and -6110-156-001 6110-156-0001 of Section 2.00 of the Budget Act of 2003 as compared to funding for those items in the Budget Act of 2002 shall be administered by the

- 39 - AB 1266

Superintendent of Public Instruction as a reduction to the number of funded units of average daily attendance. The reduction shall be allocated on a pro rata basis, based on the number of units of average daily attendance funded in the 2002–03 fiscal year for each regional occupational center and program and adult education program, exclusive of units of average daily attendance funded through CalWORKs reimbursements. The percentage of the reduction to each regional occupational center and program and adult education program shall be reflective of the percentage of the overall funding reduction to those centers and programs.

SEC. 32. The Legislature finds and declares that, with regard to Section 7 of this act, due to the unique fiscal circumstances concerning the West Contra Costa Unified School District, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 33. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to make the necessary statutory changes to implement the Budget Act of 2003 at the earliest possible time, it is necessary that this act take effect immediately.